## SCoRE CA Standard 12: Handling of fees for meeting events

The payment of fees (e.g. solicitation fees, consent fees) holders may be entitled to as part of a meeting event shall be announced and confirmed using a Consent corporate event.

### Description

A holder of a security may be entitled to receive a fee following the announcement of a meeting fee. This fee may be paid to all holders of the security or alternatively only to certain holders of the security fulfilling certain criteria. The different constellation of options which may lead to the payment of a meeting fee are outlined below:

* A bond/shareholder has to instruct (a certain option until a certain deadline) in order to receive the payment.
* A bond/shareholder has to instruct early (a certain option until a certain deadline) in order to obtain an early incentive premium. The bond/shareholder then receives the rate announced in the early incentive premium field.
* All bond/shareholders receive the fee without having to participate/instruct at the meeting – the rule is as follows: everyone who has a holding as of a certain date (record date) will receive the fee.
* In addition to the above use cases, the event may also include a condition that resolutions have to pass at the meeting in order to receive a fee.

Details of the meeting, including the details of the incentive premium or of the early incentive premium (if any), must be reported in the Meeting Notification message.

The payment of such incentives is announced and payment processed, to the parties entitled to such payment, via a mandatory Consent event (CONS) with a CASH option. To clearly distinguish CONS events relating to the payment of meeting fees, the additional business process indicator code “IncentivePremiumPayment” (INCP) – in message path CorpActnNtfctn/CorpActnDtls/AddtlBizPrcInd/INCP - must be populated in the Corporate Action Notification message.

The CONS event should be linked to the meeting the incentive relates to, with:

* either a Corporate Action Reference (CORP) equal to the MeetingIdentification in the Meeting Notification message;
* or an Official Corporate Action Event Reference (COAF) equal to the IssuerMeetingIdentification in the Meeting Notification message.

The CONS event is handled in accordance with the standard corporate action lifecycle described in section 3 of this document (accordingly, the event could, for example, be reversed in case of need in accordance with the standard corporate action reversal procedure).

## CONS | Consent

Procedure that aims to obtain the holder’s consent to a proposal by the issuer or a third party without convening a meeting. For example, consent to change the terms of a bond.

The CONS event shall also be used to announce and confirm the payment of meeting fees. Please refer to SCoRE CA Standard 12 for more details.

Table 53
Key attributes

|  |  |  |  |
| --- | --- | --- | --- |
| Participation type | Option | Cash movement | Security movement |
| MAND | CASH | Credit ELIG \* SOFE or ELIG \* ESOF | N/A |
| VOLU | CONN | N/A | N/A |
| CONY | N/A or Credit (Optional) QINS \* SOFE or QINS \* ESOF | N/A |
| ABST | N/A | N/A |
| NOAC | N/A | N/A |

Notes: The issuer may, on an optional basis, offer a cash incentive to the holder of the security to consent to the proposition. In this case the Solicitation Fee or Early Solicitation Fee are relevant to the calculation of the expected cash movement.

Table 54
Key data elements

|  | Data element | Description | Messaging element |
| --- | --- | --- | --- |
| General Information | ISIN | Identifier of the financial instrument.  | CorpActnNtfctn/CorpActnGnlInf/UndrlygScty/FinInstrmId/ISIN |
| Consent Type | Indicator specifying the type of consent sought:* Change in Terms (CTRM) – change in the terms and conditions of the bond.
* Due and Payable (DUPY) – change in the due and payable conditions.
 | CorpActnNtfctn/CorpActnDtls/CnsntTp |
| Option Type | Relevant options for the CONS CA event type:* vote to approve the event or proposal (CONY);
* vote not to approve the event or proposal (CONN).
 | CorpActnNtfctn/CorpActnOptnDtls/OptnTp |
| Additional Business Process Indicator | Specifies the type of the additional business process linked to the corporate action event such as a claim compensation or tax refund. * In a CONS event, the additional business process indicator Incentive Premium Payment (INCP) must be used when the CONS event concerns the payment of an incentive premium related to the voting conditions prescribed at a general meeting.
 | CorpActnNtfctn/CorpActnDtls/AddtlBizPrcInd/Cd |
| Entitlement Calculation | Eligible Holding (ELIG) | Total balance of securities eligible for this CA event. The entitlement calculation is based on this balance. | CorpActnNtfctn/AcctDtls/AcctsListAndBalDtls/Bal/TtlElgblBal |
| Instructed Quantity (QINS) | Quantity of securities to which this instruction applies. | CorpActnNtfctn/AcctDtls/AcctsListAndBalDtls/Bal/InstdBalORCorpActnInstr/CorpActnInstr/SctiesQtyOrInstdAmt/SctiesQty/InstdQty |
| Solicitation Fee Rate (SOFE) | Rate of the cash premium made available if the securities holder consents to or participates in an event, e.g. consent fees or solicitation fee (SOFE). | CorpActnNtfctn/CorpActnOptnDtls/CshMvmntDtls/RateAndAmtDtls/SlctnFeeRate |
| Early Solicitation Fee Rate (ESOF) | Cash rate made available, as an incentive, in addition to the solicitation fee, in order to encourage early participation in an offer (ESOF). | CorpActnNtfctn/CorpActnOptnDtls/CshMvmntDtls/RateAndAmtDtls/EarlySlctnFeeRate |
| Key Date(s) | Record Date | Date at which positions are struck at the end of the day to note which parties will receive the relevant amount of entitlement, due to be distributed on the payment date. | CorpActnNtfctn/CorpActnDtls/DtDtls/RcrdDt/Dt |
| Response Deadline Date/Time | Date/time that the account servicer has set as the deadline to respond, with instructions, to an outstanding event. This time is dependent on the reference time zone of the account servicer as specified in a Service Level Agreement (SLA). | CorpActnNtfctn/CorpActnOptnDtls/DtDtls/RspnDdln/Dt/DtTm |
| Early Response Deadline Date/Time | Date/time that the account servicer has set as the deadline to respond, with instructions, to an outstanding event, giving the holder eligibility to incentives. This time is dependent on the reference time zone of the account servicer as specified in a Service Level Agreement (SLA). | CorpActnNtfctn/CorpActnOptnDtls/DtDtls/EarlyRspnDdln/Dt/DtTm |
| Market Deadline Date/Time | Date/time which the issuer or issuer's agent has set as the deadline to respond, with an instruction, to an outstanding offer or privilege. | CorpActnNtfctn/CorpActnOptnDtls/DtDtls/MktDdln/Dt/DtTm |
| Payment Date | Date on which the movement is due to take place (cash and/or securities). Relevant in cases where a consent fee is paid. | CorpActnNtfctn/CorpActnOptnDtls/CshMvmntDtls/DtDtls/PmtDt/Dt |

Figure 26
Workflow

